

REMARKS

This amendment is responsive to the Office Action of May 23, 2002. Reexamination and reconsideration of claims 1-37 is respectfully requested.

The Office Action

Claims 1-4, 6-17, and 19-35 stand rejected under 35 U.S.C. § 102(b) as being anticipated by Roth (PCT Application WO 98/34189).

Claim 5 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Roth.

Claim 18 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Roth in view of Bezos (U.S. Patent No. 6,029,141).

Claims 36 and 37 stand rejected under U.S.C. § 112, but have not been rejected over art.

**The Claims Distinguish Patentably
Over the References of Record**

Claim 1 calls for collecting responses from at least one distributor, wherein a preponderance of the responses have a plurality of attributes and wherein attributes of a respective response are spread to form a large number of bid-response combinations. Roth neither teaches nor fairly suggests forming a large number of bid response combinations.

A potential ad viewer profile is composed of a "limitless" number (practically N-factorial where "N" is not predetermined) of different attributes with different values.

As is evident from a review of the Roth patent, Roth's bidding system enable the advertiser to bid for a profile which is composed from a pre-defined set of parameters. The pre-defined "bidding parameters can either

be simple or complex." Roth also mentions that the advertiser may submit multiple bids. In reality, since the viewer profile could be a combination of any number of parameters, for the advertiser really to reach its target audience, the advertiser must submit a huge number of bids for different profiles. Not a realistic scenario.

The present invention aims to create an efficient profile based market place via a system that enables the advertiser to place a price tag on each profile attribute that make up the profile of its target audience. For example, 3 cents for a male, 3.5 cents for a female, 1 cent for age group 30 to 40 years old, 4 cents for age group 40 to 50 years old, 5 cents to people with children. With one simple price offer, the advertiser has created a pool of potential profiles he is bidding for. The advertiser benefits from paying exactly in accordance of the value he sees in the profile of the visitor that will see his ad (in the example 8 cents for a male with children, 4 cents for a male in the age group of 30 to 40 and 9 cents for a male in the age group of 30 to 40 with children), the publisher benefits by always having the advertiser that is willing to pay the highest price show his ad to the visitor. It is clear that systems where prices are not set per profile attributes are not as economically efficient.

It turns out that one of the industry's biggest problems is the lack of profile information in general and reliable profile information specifically. Only 5% of the publishers on the web have profile information, 95% don't know who their visitors are. But how much should a profile owner be paid for the fact that some one is a male? How much of the advertiser's paid price should be allocated to the site where the visitor was found and how much should be paid to the profile owner?

Let's assume that the viewer has seen an ad in a financial site, thanks to profile supplier number 1 we know the visitor is a male and thanks to profile supplier number 2 we know that he has an annual income of over \$100K.

Well, if the advertiser was bidding 10 cents for such a profile, the profile suppliers will argue with the financial site that collected the payment on how the 10 cents should be divided. With the AlmondNet system, the advertiser price was composed of 3 cents for a financial site, 1 cent for a male and 6 cents for a viewer with an annual income of over \$100K. Therefore, it is clear and transparent how the amount gathered by the financial publisher from the advertiser should be divided. 3 cents for the site itself belongs solely to the publisher, 15% royalties of the 1 cent for the male profile attribute will be given as royalties to profile supplier number 1 and 15% of 6 cents will be given as royalties to profile supplier number 2 for the annual income information of the viewer. By the way, 15% is a standard commission in the media industry but of course any other number can be pre-agreed upon by all parties.

Only with the system of the claimed invention which prices the underlying profile attributes, could a royalty based incentive system be developed that encourages profile owners to share their profiles with others.

Existing Internet advertisement sales systems may accept bids from distributors that compete to buy advertising space on a visitor's viewing page. Nevertheless, there is a mental step in the existing methods, whereby each distributor must contemplate the combination of characteristics that are important to him and to further contemplate an economic model from which to base his bid on these elected combinations. The instant invention substantially facilitates the distribution to

express his response as a list of micro-values for each attribute; then the system builds virtually all combinations of these attributes with corresponding rational bids from the distributor, thereby automating a previously complex mental step.

There are certain criteria for each advertisement campaign that are based on the required visitor's profile. These criteria determine which visitor will get an advertisement of this campaign. For every advertisement campaign, the advertiser's price offer includes a set of required profiles that needs to be matched with any visitor's profile. The advertiser places price tags and logic tags on every requested characteristic, thus creating a combination of user profiles. The collection of all price offers, sent or otherwise established by the advertisers, creates a profile pool. For every visitor which is directed to the system there is a three-stage process: 1) finding the price offers that matches the incoming visitor's profile; 2) of all matching price offers, finding the one with the highest price; and, 3) allocating the visitor's advertisement space to the matched advertiser from those found having the highest price.

It is therefore respectfully submitted that claim 1, and claims 2-26 dependent therefrom distinguish patentably and unobviously over the references of record.

Claim 27 calls for a module for collecting responses from the at least one distributor wherein a preponderance of the responses have a plurality of attributes and wherein attributes of a respective response are spread to form a large number of bid-response combinations. Roth neither teaches nor fairly suggests such a module. It is therefore respectfully submitted that claim 27, and claims 28-35 dependent therefrom distinguish patentably and are unobvious over Roth, as well as the


other references of record.

CONCLUSION

For the reasons set forth above, it is submitted that claims 1-37 distinguish patentably over the references of record. An early allowance of all pending claims is earnestly solicited.

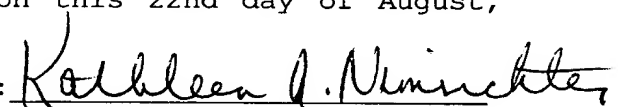
Respectfully submitted,

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CERTIFICATE OF MAILING

I hereby certify that this **AMENDMENT A** in connection with U.S. Patent Application Serial No. 09/473,078 is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C., 20231, on this 22nd day of August, 2002.

By: 
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VERSION OF CLAIMS WITH MARKINGS SHOWING CHANGES MADE

IN THE CLAIMS:

Please amend claim 1 as follows:

1. (Amended) A method for transacting an advertisement transfer, from an advertisement distributor to a visitor, the method comprising, upon the occurrence of a visitor visitation at a communications node, the communication node performing the steps of:

[(One)] (a) constructing a visitor profile;

[(Two)] (b) broadcasting the profile to at least one distributor;

[(Three)] (c) collecting responses from the at least one distributor, wherein a preponderance of the responses have a plurality of attributes and wherein attributes of a respective response are spread to form a large number of bid-response combinations;

[(Four)] (d) selecting a bid-response combination from the at least one responding distributors;

[(Five)] (e) contracting, between the node and the at least one distributor of the selected bid-response, a transference of an advertisement from the distributor to the visitor; and

[(Six)] (f) effecting a transfer of the advertisement to the visitor.

Please amend claim 24 as follows:

24. (Amended) The method according to claim 1, wherein the [logic protocol] step of [the] selecting [is] utilizes a logic protocol according to a relational database query semantic.

Please amend claim 27 as follows:

27. (Amended) A device for transacting an advertisement transfer, from an advertisement distributor to a visitor, upon the occurrence of a visitor visitation at a communications node, comprising a sequentially linked series of modules:

5 [(One)] (a) a first module for constructing a visitor profile;

 [(Two)] (b) a second module for broadcasting the profile to at least one distributor;

10 [(Three)] (c) a third module for collecting responses from the at least one distributor wherein a preponderance of the responses have a plurality of attributes and wherein attributes of a respective response are spread to form a large number of bid-response
15 combinations;

[(Four)] (d) a fourth module for selecting a bid-response combination from the at least one responding distributors;

[(Five)] (e) a fifth module for contracting,
20 between the node and the at least one distributor of the selected bid-response, a transference of an advertisement from the distributor to the visitor; and

[(Six)] (f) a sixth module for effecting a transfer of the advertisement to the visitor.

Please place claim 36 in independent form as follows:

36. (Amended) A program storage device readable by a machine and encoding a program of instructions for executing [the] a method for transacting an advertisement transfer, from an advertisement distributor to a visitor,
5 the method comprising, upon the occurrence of a visitor visitation at a communications node, the communication node performing the steps of:

- (a) constructing a visitor profile;
- (b) broadcasting the profile to at least one
10 distributor;
- (c) collecting responses from the at least one distributor;

(d) selecting a response from the at least one responding distributors;

15 (e) contracting, between the node and the at least one distributor of the selected response, a transference of an advertisement from the distributor to the visitor; and

20 (f) effecting a transfer of the advertisement to the visitor [of claim 1].

Please place claim 37 in independent form as follows:

37. (Amended) A program storage device readable by a machine and encoding a program of instructions for executing [the] a system for transacting an advertisement transfer, from an advertisement distributor to a visitor,
5 upon the occurrence of a visitor visitation at a communications node, the system including:

(a) a first module for constructing a visitor profile;

(b) a second module for broadcasting the profile
10 to at least one distributor;

(c) a third module for collecting responses from the at least one distributor;

(d) a fourth module for selecting a response from

the at least one responding distributors;

15 (e) a fifth module for contracting, between the
node and the at least one distributor of the selected
response, a transference of an advertisement from the
distributor to the visitor; and

(f) a sixth module for effecting a transfer of
20 the advertisement to the visitor [of claim 27].